

**Rhode Island Economic Development Corporation's Responses to  
Ocean State Policy Research Institute's First Set of Data Requests  
Date Issued: July 23, 2010**

**Docket No.: 4185**

**REQUEST OSPRI 1-1:**

As the economic development agency for the state and as an agency that has integral interlinking with the management and development of Quonset Point, are you aware of and can you document the nature and extent of any expressions of interest for location in RI of companies manufacturing wind turbines or components for a manufacturing facility unrelated to evidence of the state's willingness to impose significant rate tariffs well in excess of costs for competitive renewable power.

**EDC RESPONSE 1-1:**

The EDC objects to the assumption made within this data request that the state is providing any evidence of its "willingness to impose significant rate tariffs well in excess of costs for competitive renewable power".

The EDC further objects to the extent the question requests a legal opinion or interpretation of R.I. Gen. Laws § 39-26.1-7.

The EDC further objects to the question as vague, ambiguous and unclear. Notwithstanding the objection, see the EDC's Supplemental Response to Commission's Data Request 1-4 for a list of companies expressing an interest in doing business in Rhode Island.

**Respondent as to the Objection:** Alan M. Shoer, Counsel to RIEDC

**Date:** July 29, 2010

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**REQUEST OSPRI 1-2:**

In regard to Seth Parker's testimony on price suppression including his review of price suppression materials by CRA from the previous docket, can you explain the extent to which the models used or assumptions input contemplate different likely price effects for power traded in the real time markets as opposed to the day ahead market and self scheduled market.

**EDC RESPONSE 1-2:**

The EDC objects to the question as vague, ambiguous and unclear as to the meaning of the term "self-scheduled market". Notwithstanding the objection, the EDC responds as follows:

In the long run, average real-time energy prices are very close to average day-ahead prices in the ISO-NE energy market. The MarketSym model used to estimate energy price suppression impacts simulates the hourly operation of the ISO-NE energy market under economic dispatch principles.

**Respondent as to the Objection:** Alan M. Shoer, Counsel to RIEDC

**Respondent:** Seth G. Parker, Vice President, Levitan & Associates, Inc.

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**REQUEST OSPRI 1-3:**

Assuming that Mr. Parker acknowledges that the price effects would be different in these different sectors, does he believe the models and or his application account for the different proportions that the real-time, day ahead, and self scheduled markets represent as to the generation mix actually delivered to customers of National Grid d/b/a Narragansett Electric.

**EDC RESPONSE 1-3:**

The EDC objects to the question as vague, ambiguous and unclear as to the meaning of the term "self-scheduled market". Notwithstanding the objection, the EDC responds as follows:

Mr. Parker does not believe that day-ahead energy prices will be significantly different than real-time energy prices in the long run. Therefore the modeling approach used satisfactorily accounts for the different proportions of day-ahead and real-time energy prices.

**Respondent as to the Objection:** Alan M. Shoer, Counsel to RIEDC

**Respondent:** Seth G. Parker, Vice President, Levitan & Associates, Inc.

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**REQUEST OSPRI 1-4:**

Can you explain why Mr. Parker believes capacity or the forward capacity market would be unaffected or equally affected by the filling of a portion of the RPS by wind power which is considered at a far lower rate in capacity markets in relation to its nameplate generating capacity, or in the alternative can Mr. Parker explain why he appears to assume in his testimony that if Deepwater's Block Island project is not built it will be displaced in the RPS component by other wind power rather than by a renewable that may have a higher capacity factor?

**EDC RESPONSE 1-4:**

The explanation of the substitution of other wind power for BIWF is thoroughly explained in the Direct Testimony of Seth G. Parker.

**Respondent:** Seth G. Parker, Vice President, Levitan & Associates, Inc.

**Date:** July 29, 2010